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GATES' ROLE IN IRAN AFFAIR TO BE SCRUTINIZED BY SENATE PANEL
BY SUE BAKER
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Robert Gates, named today to head the Central Intelligence Agency, is likely to face tough questioning on his role in the Iran arms scandal during confirmation hearings by the Senate Intelligence Committee later this month.

"Certainly that will be a major thrust of the hearings," a committee aide told Reuters. Gates, a 20-year CIA veteran, was nominated by the White House today to replace CIA Director William Casey, who resigned due to ill health.

The aide said senators would "rigorously" question Gates on testimony he gave to the committee last December during its preliminary investigation into President Reagan's worst political crisis -- the secret sale of arms to Iran and diversion of profits to U.S.-backed Nicaraguan rebels.

The CIA acted as an intermediary in the transfer of weapons to Iran and has also been linked to a secret Swiss bank account used in the diversion of profits to the rebels.

Gates, according to a report released by the committee last Thursday, testified that he first received indications of the possible diversion nearly two months before it was revealed by Attorney General Edwin Meese last Nov. 25.

Gates and Casey told the intelligence panel they voiced their concern to National Security Adviser John Poindexter, who resigned on Nov. 25 because of the fund diversion, but did not launch their own inquiry.

"I think the committee will want to ask him, 'did he know of the illegal diversion ... what did he do to stop it and why wasn't our committee notified of it,'" said Sen. Patrick Leahy, a Vermont Democrat and intelligence committee member.

Leahy told reporters he wanted to ask Gates why he had not fulfilled a pledge he made during his confirmation hearing as Casey's deputy last year to keep the committee fully informed of the agency's covert activities.

"We'll now have to review Gates and his testimony and his background," said Sen. Howell Heflin, an Alabama Democrat and member of a special Senate committee probing the Iran scandal.

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2

The aide said one or more public hearings would be held at the end of February. Once the committee has voted to approve Gates nomination, it will go to the full Senate for a vote.

Several senators, however, said they did not believe Gates would run into any serious trouble over his confirmation.

Committee Chairman David Boren, an Oklahoma Democrat, said he had enjoyed a good working relationship with Gates, who was Casey's deputy from last April. "I look forward to continuing that good relationship," he said in a statement.

P Sen. George Mitchell, a Maine Democrat and member of the special Iran committee, told reporters he believed Gates would be confirmed but he cautioned that a review of his testimony could alter that view over the next few weeks.

P Senate Republican Leader Robert Dole of Kansas also endorsed Gates, saying, "I am confident Robert Gates is up to the challenge ... he is a career intelligence professional with the credentials and the experience to do the job."

Senate Majority leader Robert Byrd, a West Virginia Democrat, told reporters he believed the hearings could turn into a forum for a complete review of the CIA and its activities.

During the Iran initiative, the CIA was directed not to inform the congressional intelligence committees of the covert activities as it is required to do under U.S. law.

The committee aide said many senators would want to ask Gates what he would do if directed by Reagan to avoid, or delay, notification of a covert activity in future.

Gates, a native of Kansas who holds a Ph.D in Russian and Soviet history, left the CIA in 1974 for a six-year stint on the National Security Council staff. He returned to the CIA in late 1979 where he served until 1982 as national intelligence officer for the Soviet Union. He then became deputy director for intelligence, until becoming Casey's deputy last April.